States should not provide economic or security assistance to any NATO member nation as compensation or rent for the use of base facilities in that nation.

PART D—COOPERATIVE AGREEMENTS

SEC. 931. CODIFICATION OF CERTAIN ALLIED COOPERATIVE AGREEMENTS STATUTES

(a) STATUTORY REORGANIZATION.—Chapter 138 of title 10, United States Code, is amended—

(1) by striking out the *chapter* heading and inserting in lieu thereof the following:

"CHAPTER 138—COOPERATIVE AGREEMENTS WITH NATO ALLIES AND OTHER COUNTRIES

"Subchapter
"I. Acquisition and Cross-Servicing Agreements..... 2341
"II. Other Cooperative Agreements..... 2350a

"SUBCHAPTER I—ACQUISITION AND CROSS-SERVICING AGREEMENTS";

and

(2) by adding at the end the following:

"SUBCHAPTER II—OTHER COOPERATIVE AGREEMENTS

"Sec.
"2350a. Cooperative research and development projects: allied countries.
"2350b. Cooperative projects under Arms Export Control Act: acquisition of defense equipment.
"2350c. Cooperative military airlift agreements: allied countries.
"2350d. Cooperative logistic support agreements: NATO countries.
"2350e. NATO Airborne Warning and Control System (AWACS) program: authority of Secretary of Defense.
"2350f. Procurement of communications support and related supplies and services.

"§ 2350a. Cooperative research and development projects: allied countries

"(a) AUTHORITY TO ENGAGE IN COOPERATIVE R&D PROJECTS.—The Secretary of Defense may enter into a memorandum of understanding (or other formal agreement) with one or more major allies of the United States for the purpose of conducting cooperative research and development projects on defense equipment and munitions.

"(b) REQUIREMENT THAT PROJECTS IMPROVE CONVENTIONAL DEFENSE CAPABILITIES.—(1) The Secretary of Defense may not enter into a memorandum of understanding (or other formal agreement) to conduct a cooperative research and development project under this section unless the Secretary determines that the proposed

project will improve, through the application of emerging technology, the conventional defense capabilities of the North Atlantic Treaty Organization (NATO) or the common conventional defense capabilities of the United States and its major non-NATO allies.

"(2) The authority of the Secretary to make a determination under paragraph (1) may only be delegated to the Deputy Secretary of Defense or the Under Secretary of Defense for Acquisition.